

REPORT

CD NO.

CONFIDENTIAL

DATE DISTR. 12 APR 51

NO. OF PAGES 2

NO. OF ENCLS.
(LISTED BELOW)

50X1-HUM

SUPPLEMENT TO
REPORT NO.

THIS DOCUMENT CONTAINS INFORMATION AFFECTING THE NATIONAL DEFENSE OF THE UNITED STATES WITHIN THE MEANING OF THE ESPIONAGE ACT OF U.S.C., 51 AND 52, AS AMENDED. ITS TRANSMISSION OR THE REVELATION OF ITS CONTENTS IN ANY MANNER TO AN UNAUTHORIZED PERSON IS PROHIBITED BY LAW. REPRODUCTION OF THIS FORM IS PROHIBITED.

THIS IS UNEVALUATED INFORMATION

50X1-HUM

1. On 19 January 1951, a meeting of MIAM departmental heads took place to discuss the reorganization of the DAIA. It was decided to consolidate the import and export offices of MIAM under the direction of Birk, the head of the MIAM Planning Department. A proposal to concentrate all DAIAs into a DAIA-Zentrale under the joint direction of Neumann, head of DAIA-Metall, and his deputy Doelling was passed on to Minister Handke with the request that he should submit it to the SKK for approval. Another proposed innovation was that the present "Länderreferate" should be replaced by "Fachkontore".
2. The meeting further decided to send a representative to Moscow to present the DDR's economic position convincingly and to negotiate a new trade agreement which would be more favorable to the DDR than previous ones. The appointment went to Heidrich, of the Department of Machine Construction in the State Planning Commission, who is to fly to Moscow in late January 1951.
3. Birk particularly stressed the necessity of ensuring adequate supplies of raw materials for the DDR under any future agreement which might be concluded with the USSR. He also stated that the present system of distribution whereby SAGs received the bulk of all supplies of raw materials to the detriment of VVEs could no longer be tolerated and that unless some radical change were effected, widespread unemployment in the DDR was inevitable.
4. Birk then criticized the fulfillment of the agreement with Poland. The DDR had agreed to supply 100,000 tons of iron ore by the end of September 1950, but to date only 60 percent of that amount had been delivered. The iron ore mines at Braunsdorf were to be instructed to complete delivery by the end of February 1951 as a new agreement for 250,000 tons of iron ore was to be negotiated.

50X1-HUM

[illegible]

CONFIDENTIAL

Document No. 10
 No Change in Class. ☐
☐ Declassified
 Class. Changed To: TS S **(G)**
 Auth.: HR 78-2
 Date: 010478 By:

50X1-HUM

~~CONFIDENTIAL~~

~~SECRET/CONTROL~~ - U.S. OFFICIALS ONLY

CENTRAL INTELLIGENCE AGENCY

50X1-HUM

-2-

6. With reference to import prospects for 1951, Birk stated that there was little prospect of concluding comprehensive trade treaties such as had been achieved by Eilat in the past. In view of the changed world conditions, future import targets would be realized only by concentrating on small, short-term trade agreements for individual commodities wherever an opportunity should present itself.

~~SECRET/CONTROL~~ - U.S. OFFICIALS ONLY

~~CONFIDENTIAL~~